

Summary

The central problem in water allocation in North Carolina is that the historically ample water supply makes it difficult to see the importance of proactive measures to guard against future shortages. The state uses water like a person who has no budget spends money. The only legal limit on using water, outside the capacity use area (CUA), is a vague requirement to “be reasonable.”

The droughts of 1998–2002 and 2005–2008 have helped focus North Carolina on the importance of an assured water supply. The state’s economy and environment depend completely on adequate fresh water. When the water supply is short, conflict can rise quickly to terrible levels, because people will do whatever it takes to get water.

The projected population increase in the next decades makes it very likely there will be more and more water shortages, and thus more conflict. But improving water supplies or becoming more efficient with the existing supply can take many years and substantial expenditures. It is imperative, then, that the state do the best job it can today of projecting where water shortages will occur in the foreseeable future, and ensuring that those places live within a water budget, either by adding more supplies or reducing demand.

The Water Allocation Study team recommends that the General Assembly take the following measures in 2009 in order to put North Carolina in a more secure position with respect to its water supply:

1. **Clearly state policy goals to guide administrative and judicial decisions.**
2. **Establish a permit for large water withdrawals.**
3. **Conform existing laws to each other and to policy goals.**
4. **Establish proactive, adaptive, river basin water supply planning.**
5. **Simplify and integrate water and water-funding information.**
6. **Address critical research and study needs.**
7. **Ensure that water infrastructure is maintained.**
8. **Reward and spread best practices and leadership efforts in water efficiency.**
9. **Create more storage.**

It is no longer the case that each community and each water system can be left to figure out for itself its water future; water supply and demand up and down the river basins is much too interconnected to expect each system accurately to assess how much water it will have in the decades to come. At the same time, the state is too large and diverse economically, geographically, hydrologically, and institutionally to expect a centrally administered state water plan to be accurate, useful, and up-to-date.

The combination of a water-withdrawal permit for all large water withdrawers, similar to permit programs now in place in most other states, and a proactive, adaptive, river basin–planning system that is led by local water suppliers and water users can position North Carolina to be a leader in managing its water resources. Implementation of these and the other recommendations in this report, given the ample water supply the state normally has, would give the state a great comparative advantage in its water supply relative to the rest of the world.